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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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LARA FASHION, LTD., and NEW FAIRSEL, LIMITED

Docket No.: 1-18-cv-09105 (LGS)

VERIFIED ANSWER

Plaintiff,

-against-

HABIB ARAZI, PRINCESS, INC.,
PRINCESS OF NY INC., AND
H&A COUTOURE, INC.,

Defendants.

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COME NOW, Defendants Habib Arazi (“Arazi”), PRINCESS OF NY, INC. dba Princess (“Princess”), and H&A COUTOURE, INC. (collectively, the “Defendants”), by and through their undersigned counsel, and for their answer to Plaintiff’s Complaint, and to each Count and Paragraph thereof, set down and assign the following separate and several defenses without waiving any substantive or procedural deficiencies in Plaintiff’s Complaint:

NATURE OF THE ACTION

1. Paragraph 1 of the Complaint represents Plaintiff’s statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

2. Paragraph 2 of the Complaint represents Plaintiff’s statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

3. Paragraph 3 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

4. Paragraph 4 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

5. Paragraph 5 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

THE PARTIES

6. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 6 of the Complaint.

7. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 7 of the Complaint.

8. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 8 of the Complaint.

9. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 9 of the Complaint.

10. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 10 of the Complaint.

11. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 11 of the Complaint.

12. Admit the allegations contained in paragraph 12 of the Complaint, except deny

the characterization of Arazi as an “alter ego” of Princess, PNY and HAC.

JURISDICTION AND VENUE

13. Paragraph 13 of the Complaint calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

14. Paragraph 14 of the Complaint calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

15. Paragraph 15 of the Complaint calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

FACTS

16. Paragraph 16 of the Complaint represents Plaintiff’s statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

17. Paragraph 17 of the Complaint represents Plaintiff’s statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

18. Admit the allegation in paragraph 18 of the Complaint that Plaintiff sold merchandise to Princess of NY, Inc., but deny the remaining allegations in their entirety.

19. Paragraph 19 of the Complaint represents Plaintiff’s statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

20. Paragraph 20 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

21. Deny the allegations contained in paragraph 21 of the Complaint.

22. Deny the allegations contained in paragraph 22 of the Complaint.

23. Deny the allegations contained in paragraph 23 of the Complaint.

24. Deny the allegations contained in paragraph 24 of the Complaint.

25. Paragraph 25 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety and refer the Court to the documents referred to therein.

26. Paragraph 26 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

27. Paragraph 27 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety and refer the Court to the documents referred to therein.

28. Paragraph 28 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

29. Paragraph 29 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety and refer the Court to the documents referred to therein.

30. Paragraph 30 of the Complaint represents Plaintiff's statement of the case and

calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety and refer the Court to the documents referred to therein.

31. Paragraph 31 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

32. Deny the allegations contained in paragraph 32 of the Complaint.

33. Paragraph 33 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

34. Paragraph 34 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

35. Paragraph 35 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

36. Paragraph 36 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

37. Deny the allegations contained in paragraph 37 of the Complaint.

38. Deny the allegations contained in paragraph 38 of the Complaint.

39. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 39 of the Complaint.

40. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 40 of the Complaint.

41. Deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 41 of the Complaint.

42. Deny the allegations contained in paragraph 42 of the Complaint.

43. Deny the allegations contained in paragraph 43 of the Complaint.

44. Deny the allegations contained in paragraph 44 of the Complaint.

45. Deny the allegations contained in paragraph 45 of the Complaint.

46. Paragraph 46 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

47. Paragraph 47 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

48. Paragraph 48 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

49. Paragraph 49 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

50. Paragraph 50 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

51. Paragraph 51 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

AS AND FOR AN ANSWER TO COUNT I

For Trade Contract Price Under U.C.C. §2-709(1)(a)

52. Defendants repeat, reiterate and reallege each and every statement set forth above, as if fully set forth at length herein.

53. Paragraph 53 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

54. Paragraph 54 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

55. Deny the allegations contained in paragraph 55 of the Complaint.

56. Deny the allegations contained in paragraph 56 of the Complaint.

57. Deny the allegations contained in paragraph 57 of the Complaint.

58. Deny the allegations contained in paragraph 58 of the Complaint.

59. Deny the allegations contained in paragraph 59 of the Complaint.

60. Deny the allegations contained in paragraph 60 of the Complaint.

61. Paragraph 61 of the Complaint calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

62. Paragraph 62 of the Complaint calls for a legal conclusion and, as a result,

requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

AS AND FOR AN ANSWER TO COUNT II

For Trade Contract Price with NFL

63. Defendants repeat, reiterate and reallege each and every statement set forth above, as if fully set forth at length herein.

64. Paragraph 64 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

65. Paragraph 65 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

66. Paragraph 66 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

67. Deny the allegations contained in paragraph 67 of the Complaint.

68. Deny the allegations contained in paragraph 68 of the Complaint.

69. Deny the allegations contained in paragraph 69 of the Complaint.

70. Deny the allegations contained in paragraph 70 of the Complaint.

71. Paragraph 71 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

72. Paragraph 72 of the Complaint represents Plaintiff's statement of the case and

calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety and refer the Court to the relevant documents referred to therein.

73. Deny the allegations contained in paragraph 73 of the Complaint.

AS AND FOR AN ANSWER TO COUNT III

For Breach of Contract with LFL

74. Defendants repeat, reiterate and reallege each and every statement set forth above, as if fully set forth at length herein.

75. Paragraph 75 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

76. Paragraph 76 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

77. Paragraph 77 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

78. Paragraph 78 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

79. Paragraph 79 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

80. Deny the allegations contained in paragraph 80 of the Complaint.

81. Deny the allegations contained in paragraph 81 of the Complaint.

82. Paragraph 82 of the Complaint represents Plaintiff's statement of the case and calls for a legal conclusion and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety and refer the Court to the relevant documents referred to therein.

83. Deny the allegations contained in paragraph 83 of the Complaint.

84. Deny the allegations contained in paragraph 84 of the Complaint.

AS AND FOR AN ANSWER TO COUNT IV

For Breach of Contract with NFL

85. Defendants repeat, reiterate and reallege each and every statement set forth above, as if fully set forth at length herein.

86. Paragraph 86 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

87. Paragraph 87 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

88. Paragraph 88 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants deny them in their entirety.

89. Paragraph 89 of the Complaint represents Plaintiff's statement of the case and, as a result, requires no response. To the extent any allegations are contained therein, Defendants

deny them in their entirety.

- 90. Deny the allegation contained in paragraph 90 of the Complaint.
- 91. Deny the allegation contained in paragraph 91 of the Complaint.
- 92. Deny the allegation contained in paragraph 92 of the Complaint.
- 93. Deny the allegation contained in paragraph 93 of the Complaint.
- 94. Deny the allegation contained in paragraph 94 of the Complaint.
- 95. Deny the allegation contained in paragraph 95 of the Complaint.

AS AND FOR AN ANSWER TO COUNT V

Against Arazi

- 96. Deny the allegation contained in paragraph 97 of the Complaint.
- 97. Deny the allegation contained in paragraph 98 of the Complaint.
- 98. Deny the allegation contained in paragraph 99 of the Complaint.

ADDITIONAL DEFENSES

1. Defendants hereby state the following affirmative and additional defenses to the Complaint, but do not assume the burden of proof on any such defenses except as required by applicable law with respect to a particular defense asserted. Defendants further reserve the right to assert other affirmative and additional defenses and/or otherwise to supplement this Answer upon discovery of facts or evidence rendering such action appropriate.

FIRST DEFENSE

2. The Complaint fails to state a claim against Defendants upon which relief may be granted.

SECOND DEFENSE

3. Plaintiff's claims against Defendants are subject to binding arbitration and therefore, should be dismissed.

THIRD DEFENSE

4. Subject to and without waiving any prior objection, answers or defenses, and without accepting the burden of proof on the matter, Defendants state that their conduct was not willful.

FOURTH DEFENSE

5. Subject to and without waiving any prior objection, answers or defenses, and without accepting the burden of proof on the matter, Defendants allege that Plaintiff is not entitled to any recovery for the damages asserted as all monies due and owing to Plaintiffs have been paid by Defendants.

FIFTH DEFENSE

6. Subject to and without waiving any prior objection, answers or defenses, and without accepting the burden of proof on the matter, Defendants plead the defense of Accord and Satisfaction.

SIXTH DEFENSE

7. Subject to and without waiving any prior objection, answers or defenses, and without accepting the burden of proof on the matter, Individual defendant pleads that no valid personal guaranty ever existed.

SEVENTH DEFENSE

8. Subject to and without waiving any prior objection, answers or defenses, and without accepting the burden of proof on the matter, Individual defendant pleads that he was merely acting within his scope of employment at Princess of NY, Inc..

EIGHTH DEFENSE

9. Plaintiffs Complaint fails to state a claim against Defendants upon which relief can be granted in that Defendants have no obligation to pay the Plaintiff any amount of the losses or damages alleged.

NINTH DEFENSE

10. The claims of Plaintiff are barred by the doctrines of laches, waiver and/or estoppel.

TENTH DEFENSE

11. Plaintiff failed to mitigate any damages it may have suffered.

ELEVENTH DEFENSE

12. Defendants acted reasonably and in good faith at all times and, therefore, Plaintiff's claims are barred.

TWELFTH DEFENSE

13. No case or controversy exists between the Plaintiff and Defendants as the claims of Plaintiff are moot.

THIRTEENTH DEFENSE

14. Plaintiff's claims must fail to the extent that they are barred by the doctrines of res judicata and/or collateral estoppel.

FOURTEENTH DEFENSE

15. The Complaint is barred, in whole or in part, by the doctrine of Payment.

FIFTEENTH DEFENSE

16. The Complaint is barred, in whole or in part, by the doctrine of Release.

SIXTEENTH DEFENSE

17. The Complaint should be dismissed for misnomer.

SEVENTEENTH DEFENSE

18. The venue selected by Plaintiff is not the most convenient forum pursuant to 28 U.S.C. 1404 and 1412.

EIGHTEENTH DEFENSE

19. Plaintiff has failed to satisfy administrative prerequisites, jurisdictional or otherwise, to maintaining some or all of the claims alleged in the Complaint.

NINETEENTH DEFENSE

20. Plaintiff has failed to plead damages with specificity sufficient to frame responses.

TWENTIETH DEFENSE

21. Plaintiff is not entitled to recover for damages for willful behavior or attorneys' fees and costs under any state or federal law.

TWENTY-FIRST DEFENSE

22. Defendants reserve the right to raise any and all defenses that may become evident during discovery and during any other proceeding in this action.

TWENTY-SECOND DEFENSE

23. Any allegations of Plaintiffs Complaint not explicitly admitted in this Answer are denied, and strict proof is demanded to support Plaintiffs allegations.

TWENTY-THIRD DEFENSE

24. Plaintiff failed to serve the complaint in accordance with the Federal Rules of the Civil Procedure because Defendants found out about the case from an attorney advertisement. Therefore, the court lacks personal jurisdiction over the defendants.

TWENTY-FOURTH DEFENSE

25. Plaintiff's claims are barred against Defendants since Defendants violated no duty to Plaintiff.

TWENTY-FIFTH DEFENSE

26. Plaintiff has suffered no damages attributable to any alleged act by Defendants.

TWENTY-SIXTH DEFENSE

27. Defendants are not proper parties to Plaintiff's Complaint.

TWENTY-SEVENTH DEFENSE

28. Plaintiff's Complaint as against Defendants is barred since Defendants have no personal liability to Plaintiff.

TWENTY-EIGHTH

29. Plaintiff's Complaint is barred by the doctrine of laches.

TWENTY-NINTH DEFENSE

30. Plaintiff's Complaint fails since these Defendants have fully performed their obligations, if any, to Plaintiff.

THIRTIETH DEFENSE

31. Plaintiff's Complaint fails for lack of standing.

THIRTY-FIRST DEFENSE

32. Plaintiff's Complaint fails to join all necessary and indispensable parties.

THIRTY-SECOND DEFENSE

33. Defendants aver that they are not guilty of the matters and things alleged in Plaintiff's Complaint and demand strict proof thereof.

THIRTY-THIRD DEFENSE

34. If the allegations of the Complaint are proven to be true, then plaintiff has materially breached the statutory warranties provided for in applicable state law, including but not limited to N.Y. U.C.C. s 2-312 and 2-314 and O.R.C. s 1302.25 and 1302.27, that title to goods be good, that the transfer of the goods be rightful, that the goods be free of the rightful claim of any third party by way of infringement or the like, and that the goods possess the ability to pass without objection in the trade.

THIRTY-FOURTH DEFENSE

35. That Plaintiff failed to tender delivery of goods in the manner provided in the N.Y. U.C.C. § 2-503.

DEMAND FOR A JURY TRIAL

The Defendants hereby demand a trial by jury as to any and all issues raised in the Complaint and this Answer which are triable before a jury.

WHEREFORE, Defendants respectfully demand judgment against plaintiff as follows:

- (a) dismissing plaintiff's claims against Defendants with prejudice;
- (b) awarding Defendants the costs and disbursements in this action; and
- (c) awarding Defendants such other and further relief as the Court deems just.

Dated: Brooklyn, New York
December 10, 2018

_____/S/
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